



Tim J. Cooper, *President*

October 23, 2014

Mr. Barry F. Murdock
Deputy Director
Office of Regulatory Policy
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102-5090

Re: RIN 3052-AC84 – Funding and Fiscal Affairs, Loan Policies and Operations, and Funding Operations,
Investment Eligibility – Federal Register Number 2014-17493 (July 25, 2014).

Dear Deputy Director Murdock:

I would like to take this opportunity to comment on the above Farm Credit Administration proposal. Most importantly, I believe any amendment to investment or lending authority like the Administration is pursuing here should proceed through actions by Congress as opposed to being accomplished by a regulatory body.

The proposed rule issued by the Farm Credit Administration (FCA) seeks to significantly expand investments held by Farm Credit Banks (FCBs) and Farm Credit Associations (Associations) under the guise of a required review of regulations under section 939A of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). Section 939A requires agencies to only review regulations that utilize credit ratings and substitute other appropriate standards for review. The rule being proposed goes far beyond that required review and rewrites investment eligibility for Farm Credit System (FCS) institutions.

I have noticed this proposal is similar to what was proposed in 2005 and later discontinued. It now appears the FCA is seeking a program that failed. I question why the FCA would undertake this project again. In my opinion, FCBs do not have the same level of examination or compliance requirements to engage in these types of investments and lending which are being seen in FCB's system.

This proposal is very similar to the Federal Housing Finance Agency's recent attempt to change rules and laws established by Congress. I feel both of these proposals should be withdrawn until there is a clear and compelling reason to make changes and provide Congress the opportunity to thoroughly consider the ramifications of what is being proposed.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Cooper".

Tim Cooper
President